

# Water Treatment Plant Bonding Reimbursement Resolution

CITY COUNCIL - December 17, 2024

City Staff Representatives:

Department:

Catrina Asher, Director of Finance

Finance

### **Purpose**

To request Council approval of a Reimbursement Resolution related to a future bond issuance to finance the completion of the Water Treatment Plant project.



### Project and Financing Background

- The Water Treatment Plant broke ground in July 2022.
- The project is approximately 47 days ahead of schedule and projected to be fully online in 2027.

- Financing sources include:
  - ARPA Funds totaling \$10.4M.
  - 2022 Bonds totaling \$80M, plus interest earned.
  - 2025 Bonds proposed totaling \$85M, plus interest earned.
    - This financing has been contemplated since 2022 and included in financial projections and rate studies. No rate changes are being requested at this time.

### **Bonding Timeline**

overview

Bond issuance is targeted for February 2025 in the amount of \$85M.

### December January 21 February 4 17 · City Council City Council February 27 City Council Meeting Meeting Meeting Bond Bond Closing & Bond Reimbursemen Ordinance Ordinance Receipt of t Resolution (Initial) (Final) Funds January 14 January 27 February 19 Study Session Rating Agency Competitive Bond Sale calls Project update and financing

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### Reimbursement Resolution



- The first step in a bonding process.
- A statement that the City intends to utilize bond proceeds received in the future on project spending incurred between now and closing.
- Does not define the terms or parameters of a future bond issuance (this will be stated in a future Ordinance).

## **Options for City Council**

- Approve the Resolution as presented.
- Reject the Resolution and/or ask for further information.

